

5-10	<b>Contracts for Provider Agencies</b>	Part 1 of 2
Authorizing Utah Code: 62a-5-103	Rule: R539-4-5	Provider Requirements
Approved: 2/11/99	Rule Effective:	Printed: 1/00
Form(s): None	Guideline(s): None	

## POLICY

The **Division** shall generally utilize contracts for services to implement its delivery of community services and supports. The **State Office** will coordinate on behalf of the **Region Office** the review of contracts, the call for statewide proposals for services, promulgation of rates, and the development of the contract objectives and evaluations attachment. The **Region** shall arrange for supports with **Providers** on behalf of **Persons**, shall establish and manage budgets for **Persons** and shall conduct contract compliance monitoring activities in conjunction with quality enhancement **Specialists**. The **State Office** and **Region Office** shall collaborate on the resolution of problems occurring regarding contracting to facilitate an environment of fair competition among interested **Providers**.

## PROCEDURES

1. The **Division** shall ensure that contracts, Request for Proposals, and Best and Final Offers are:
  - A. written and administered in accordance with State Purchasing and Procurement policy and procedures;
  - B. funded up to the appropriate established standard rates as determined by the Bureau of Internal Review and Audit; and
  - C. coordinated among **Region Offices**, **Department's** Purchasing, and Office of Administrative Support.
2. A **Department** of Human Services, **Division** of Services for People with Disabilities purchase of service contract may be terminated immediately:
  - A. if **Persons** served are in clear and imminent danger; or
  - B. if a purchase of service **Provider** cannot demonstrate proper licensing/certification.
3. A **Department/Division** contract may be terminated without cause upon 30 days' prior written notice under the following circumstances:
  - A. **Division** funding inadequacies, or
  - B. there is no further need for the contract.
4. A **Department/Division** contract may be terminated by the **Division** for cause if following a 30-day written notice, no substantial effort has been made to correct:
  - A. continued contractual violations;
  - B. continued violations of **Department** or **Division** policy;

5-10	<b>Contracts for Provider Agencies</b>	Part 2 of 2
Authorizing Utah Code: 62a-5-103	Rule: R539-4-5	Provider Requirements
Approved: 2/11/99	Rule Effective:	Printed: 1/00
Form(s): None	Guideline(s): None	

- C. mismanagement of personal, state, or federal funds;
  - D. failure to correct continuing deficiencies identified in quality enhancement surveys and **Region** contract attachment “F” reviews; or
  - E. other situations where the **Division** determines it is in the best interest of the **Persons** served.
5. Informal Resolution Process
- A. A terminated **Provider** agency has the right to request a resolution hearing, the purpose of which is to determine if the termination was within **Division** policy guidelines. The **Provider Agency** has the right to be represented and/or be accompanied by an attorney at all resolution meetings.
  - B. Written requests for resolution concerning termination of contracts by the **Division** should be sent to **State Office**.
    - Step 1 The appropriate **Region Director(s)** along with a **Division** designee shall attempt to resolve the issue by explaining the regulations on which the termination of contract is based and holding a meeting to resolve the issue. If the initial meeting fails to resolve the issue the contractor may request a second resolution meeting with the **Division Director** by sending a written request within 5 working days of the first meeting to the **Division Director**.
    - Step 2 The **Division Director** meets with the contractor to resolve the issue. If the informal resolution process fails to resolve the issue, contractors may avail themselves of any other remedies available for termination with cause under the provisions of Legal and Contractual Remedies per **Utah Code Annotated** sections 63-56-45 through 63-56-64.
6. The **Division** will award multiple contracts for the **Provider** services through a competitive sealed proposal process after determining the appropriate fee to be paid to **Providers** and then contracting with all **Providers** meeting criteria established in the Request for Proposal.
7. Returned invitations to submit offer to provide services, and the reasons for selecting a particular **Provider** shall be maintained in the **Person’s** file at the **Region Office**.
8. A copy of the contract award will be kept on file at the **State Office**.
9. This policy shall be given to all contractors and serves as notice to the contractor of the resolution process for review of termination of contract.